

Native American Indian Economic Development: Lessons from the Tribes



A report by the Select Committee on Rural Economic Development
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Executive Summary

In 1998 California's focus on the development of Indian casinos led many to believe that gaming was the only source of tribal economic development taking place. In fact, tribes throughout California were developing creative and highly successful plans to achieve self-sustaining economies. In an effort to shed more light on the success of these ventures, the Select Committee on Rural Economic Development addressed the issue of tribal economic development at its May 21, 1999 hearing in Ukiah, California.

As chair of the Select Committee on Rural Economic Development, Assemblymember Virginia Strom-Martin views tribal economic development as a critical component of rural California's economic recovery. With 29 tribes located within Strom-Martin's First Assembly District, the Assemblymember believes the need to support and promote economic development activity in tribal communities is great.

Featuring presentations on a wide range of tribal economic development projects and services, the hearing, titled *Native American Indian Economic Development: Lessons from the Tribes*, was divided into two sessions. The morning session focused on the successes and challenges faced by seven Northern California tribal communities in planning and implementing economic development projects. The afternoon session featured presentations on the various services available to tribes from major financial institutions, government programs, and non-profit organizations. During the daylong hearing, project directors and provider organizations alike discussed the importance of building relationships with lending institutions, community groups and local governments. They stressed the need for tribal leaders to build credibility by obtaining professional training, and for development of economic development plans that uphold and promote tribal values.

Throughout the day's presentations, a number of predominate themes emerged:

- ◆ Successful tribal economic development requires trust among all the stake-holders: tribal members, government agencies at all levels, financial institutions, technical assistance providers, and community groups. Tribes must educate lenders and government representatives about the tribal government process. All parties must be willing to learn about each other in order for productive relationships to occur.

- ◆ Tribes have both structural and legal obstacles to overcome in developing economic development projects, including government bureaucracies that have no procedures in place for dealing with tribes. The State and local governments have no process for issuing business licenses or articles of incorporation for tribal businesses. The federal Native American Housing Assistance and Self Determination Act (NAHASDA) requires tribes to have cooperative taxation agreements with counties when Indian housing is being developed on non-tribal lands, yet in California, counties have no authority to negotiate agreements with tribes.
- ◆ Tribes often have no collateral to help them secure private financing. Establishing a uniform approach to dealing with tribes will ease the process for all parties, as would a recent federal proposal to begin lending to tribes in the same way that loans are made to foreign countries.
- ◆ Many tribes are still working to develop their own internal governmental structures. The stability of tribal governments has an effect on the success of a tribe's project and on a tribe's ability to develop business relationships with non-Indian organizations.
- ◆ Tribes need better information about the project funding available to them, and more money is needed to help projects get off the ground. A clearinghouse, possibly established through the work of the Rural Policy Task Force, could provide tribes with easily accessible information on the full range of resources available. The State should develop a source of grant funding to support the breadth of tribal economic development activities.
- ◆ Tribes feel they have no representation before the State. A series of meetings sponsored by Assembly Speaker Antonio Villaraigosa has demonstrated the Legislature's willingness to address Native American concerns, but tribal leaders need a strong representative who can take their issues directly to the Governor. A Native American Liaison position established within the Governor's office could represent those concerns within the Administration, as well as translate the Governor's goals and objectives back to tribal leaders.
- ◆ In spite of the clout of California's 53 congressional representatives, California tribes receive less federal funding than tribes in any other state in the nation.

Part I of this report summarizes the information presented by tribal representatives during the morning session, with findings and recommendations derived from each presentation. Among the many specific findings and recommendations found throughout Part I of this report are:

Finding:

Historically tribes have been unable to obtain business licenses, articles of incorporation, or form non-profit corporations.

Recommendation:

The State and local governments must develop flexible policies that provide tribal governments with access to business licenses and articles of incorporation.

Finding:

Involvement in the surrounding non-Indian community and participation in local business organizations can help strengthen relationships between tribal businesses and the outlying community.

Recommendation:

Tribal businesses seeking to enhance relations with surrounding non-Indian communities should become involved in community activities and local business organizations.

Finding:

Few tribal resources exist to help tribes gain technical expertise or to obtain funding.

Recommendation:

The State should develop a clearinghouse for economic development resources in order to facilitate tribal access to project funding, additional expertise, or technical assistance in project development.

Finding:

Although some public and private resources are available for tribal economic development, much more is needed.

Recommendation:

The State must make economic development grants available to tribes.

Finding:

Economic development projects focused on traditional skills, such as basket weaving or habitat restoration, are a means of reviving the Indian culture as well as being commercially viable.

Recommendation:

Communities seeking to revive tribal culture should consider economic development projects that draw upon traditional skills.

Finding:

Partnering with non-Indian community groups helps to build community consensus and support for a project. Creative partnering can lead to innovative approaches to service delivery, such as the placement of county service providers in tribal communities which were not previously served.

Recommendation:

Tribes involved in economic development activities should form partnerships with local community groups to build consensus for projects. Local governments should be willing to work with tribes in order to enhance the benefits of local programs.

Finding:

The use of traditional community resources, such as the elders who staff the "Grandmothering Circle," provide a successful approach to dealing with domestic violence in Native American communities.

Recommendation:

The State must encourage and support development of specialized Native American programs that draw upon unique community resources to address community problems.

Finding:

Federal restrictions on states' ability to negotiate treaties or conduct business with tribes greatly limits tribal communities' opportunities to recruit private business on tribal lands. Historically tribes have been unable to obtain business licenses, articles of incorporation, or form non-profits.

Recommendation:

The State and local governments must end restrictive policies that prevent tribal access to business licensure and incorporation.

Finding:

By developing tribal business codes, tribes can increase business opportunities on tribal lands and provide a consistent legal framework from which the tribe may deal with the private sector and other governments. Through the implementation of business codes, tribes have the authority to issue business licenses, form corporations and non-profit corporations, and levy taxes.

Recommendation:

Tribal governments should follow established models in creating their own tribal business codes.

Part II of the report summarizes the programs and services provided to tribes by several major financial institutions, the federal government, a state-sponsored health program and several non-profit organizations. Contact information on the financial institutions, government programs and non-profit presenters is provided in Appendix I, on page 38.

The Select Committee on Rural Economic Development offers this report to the Legislature to enhance the State's understanding of tribal economic development needs. It is our hope that with this tool the Legislature will take a stronger stand in support of this integral and vital segment of Rural California's culture.

As the Native American community moves forward into self-governance and self-reliance, it will benefit all of California for the Legislature to take an active role in supporting and promoting tribal economic development efforts. The time to recognize and work with California's many tribal governments is long overdue, and the door to new relationships and new opportunities is ours to open.

Introduction

The Select Committee on Rural Economic Development is an advisory body of the California Legislature charged with studying the economic development needs of Rural California. Chaired by Assemblymember Virginia Strom-Martin, the Committee is comprised of twelve members representing both rural and urban areas.

The Committee's 1999 membership includes:

Virginia Strom-Martin, Chair (D – Duncans Mills)
Sam Aanestad, (R-Grass Valley)
Mike Briggs, (R, Fresno)
Dennis Cardoza, (D-Merced)
Ellen Corbett, (D-San Leandro)
Dick Dickerson, (R-Redding)
Dean Florez, (D-Bakersfield)
John Longville, (D-San Bernardino)
Mike Machado, (D-Linden)
Rico Oller, (R-San Andreas)
Sarah Reyes, (D-Fresno)
Helen Thomson, (D-Davis)
Rod Wright, (D-South Central Los Angeles)

To research California's rural economic development needs, the Select Committee on Rural Economic Development travels into rural areas to hold advisory hearings on selected topics. The Committee invites local representatives to address the members, and to share their experiences in various business and community development activities. From the information presented, the Select Committee prepares reports summarizing the presentations and making findings and recommendations based upon the presenters' comments. The report is then published for distribution to the Legislature and the Governor, and when possible, legislative proposals are introduced.

The Select Committee examined the challenges involved in Native American economic development efforts at its May 1999 hearing in Ukiah, California. Given the recent focus on Native American gaming, Assemblymember Strom-Martin wanted to learn what other types of economic development activities were underway in Indian country, and to learn how the State can help tribes seeking to gain self-sufficiency through developing business ventures.

Titled *Native American Indian Economic Development: Lessons from the Tribes*, the hearing featured presentations from seven tribal communities in Humboldt, Mendocino, Lake, and Siskiyou counties in Northern California. At the time of the hearing, the projects presented were in varying stages of development, ranging from the feasibility/planning phases to well-established businesses. Several of the economic development projects were still quite tentative, and the hazards of obtaining financing and community support were discussed openly.

A secondary goal of the Select Committee was to bring information on programs and services to the Native American community. Three major financial institutions traveled to Ukiah to present information on their programs that specifically focus on tribes. Information was also presented on state and federal programs, and on the services of non-profit organizations with programs designed to serve Indian communities.

Part I - Tribal Economic Development: Lessons Learned

Michael Piña, Round Valley Indian Tribes, Presenter Water Bottling Plant Project

Mr. Piña described the Round Valley Indian tribes' move toward self-governance and economic independence. Mr. Piña said the Round Valley Reservation, located in Mendocino County, began its economic development efforts in 1995 as the seven-tribe confederation began assuming responsibility for its own services. Before the federal government officially recognizes self-governing tribes, tribes are required to have a clean audit for three consecutive years and are prohibited from enacting any new programs during that time. He said that tribes could no longer depend upon the federal Bureau of Indian Affairs (BIA), as levels of support for Indian communities are being reduced.

In 1981 the Round Valley lumber mill closed, leaving many residents unemployed. Today the largest employers on the reservation are the Round Valley School District and the tribal organization, both of which employ between 40 and 60 people.

Mr. Piña described the changes the tribes had undergone in moving toward self-governance, including changes in attitudes and development of a more stable tribal government. The tribes' plan to develop a water bottling operation was designed to develop the reservation's untapped resources. A San Francisco lender expressed interest in the project, which would initially employ 20 to 24 people, and later increase to 40.

Before an agreement could be finalized, the council needed to conduct a feasibility study. Not having the funds to pay for the study, the Round Valley tribes conducted a timber sale on newly-purchased land, and with the completed study was able to secure the loan to build and furnish the water bottling plant, as well as purchase land with a better source of water.

Mr. Piña said the Round Valley tribes still faced obstacles to their project. Community support was difficult to garner in a community where seven divergent tribes shared reservation land they were forced onto by the federal government. Changes in philosophy were required, and the reservation council's development into a strong, business-minded, progressive body made a significant difference.

During the project planning phase, the council formed an economic development committee that included tribal representatives and community residents. In learning how to do business

on the reservation, the committee worked to develop ties with the county, other local governments and the Chamber of Commerce.

Mr. Piña said the BIA had provided no training in self-governance, nor had they offered any resources to help train tribal communities gain independence. He said that tribal governments needed training in self-governance and effective management skills. The Round Valley Tribal Council's goal of self-leadership and self-governance was still a goal to be attained, but Mr. Piña said it was within reach.

The council would continue to seek technical assistance as the water bottling project evolved, he said. Mr. Piña claimed the most important change was to achieve a change in mindset among the tribal members that success was achievable. He reiterated that success was dependent on will alone.

Mr. Piña said the National Marine Fisheries Service's diversion plan to return water to the Eel River from Lake Pillsbury was acceptable. He said the project was creating opportunities to open communications between the interested parties, and for the tribes to increase fishing opportunities.



Finding:

With levels of support for Indian communities being reduced, tribes can no longer depend upon the federal Bureau of Indian Affairs (BIA) for financial support.

Recommendation:

Tribal governments must develop paths to self-governance and self-leadership.

Finding:

For the federal government to recognize a tribe as self-governing, that tribe must produce three years of clean audit reports and forgo implementation of any new programs throughout that time.

Recommendation:

Tribal governments should have guidance and assistance in meeting the requirements for self-governance.

Finding:

Community consensus and a positive attitude are key to tribal success in economic development and other projects.

Recommendation:

Tribal governments must work with the entire community to develop consensus and support for economic development endeavors.

Finding:

Tribal governments learning how to do business on the reservation can benefit from developing relationships with the county, other local governments and the Chamber of Commerce.

Recommendation:

The State and local governments should encourage and promote intergovernmental relations with tribes.

Finding:

Many tribal governments needed training in self-governance and effective management skills.

Recommendation:

The state and federal governments and/or the private sector should facilitate self-governance training and management skill development, lending their skills through workshops or mentoring programs.

Danny Jordan, Hoopa Valley Tribe, Presenter
Smartwood Lumber Operation/Tribal Business Codes

Mr. Jordan described the Hoopa Valley Tribe's environmentally-conscious timber operation, which allowed the tribe to sell a smaller amount of timber for a higher price. He said the Smartwood process allowed Hoopa tribal values to be incorporated in the community's primary business activity in order to create a better method of timber operation on tribal lands in Humboldt County.

In 1990, as part of its self-governance compact, the tribe took over timber operations on the Reservation from the Bureau of Indian Affairs (BIA). Prior to that time, the BIA's sole focus on marketing timber drove the Hoopa Valley's timber operations. When the tribe took control, the annual harvest was reduced from 70 million board feet to 40 million board feet, and the use of herbicides ceased. With a further reduction to 10.3 million board feet a year, the Hoopa Valley Tribe gained national recognition for its innovative harvest plan, which combined sustained yield timber harvesting (or cutting trees at such a rate that there would always be mature trees available for the next harvest), with the environmental goals that reflect tribal values. The Hoopa tribe no longer mills its own lumber, Mr. Jordan said, but now sells logs harvested off the forestland managed under the Smartwood process.

Mr. Jordan said the approach ensures long-term health for the Reservation by guaranteeing jobs and protecting long-term values over economic gain. In order to add value, the Hoopa Valley Tribe opted for an environmentally-sensitive approach. He explained that the Smartwood concept was developed by rainforest advocates and involved a process for certifying that the lumber was processed organically. Mr. Jordan said that certain mills handled only Smartwood lumber, and the "green" label brought a higher price for the logs. The lumber is milled and then sold either as lumber or a wood product bearing a "green label." The Smartwood process was consistent with tribal values, as well as with national and global environmental values, he said.

The Hoopa Valley Tribe has also taken the lead in developing its own tribal business codes, Mr. Jordan stated. With the Federal Reserve working to develop business opportunities in Indian country, the question of who had jurisdiction was frequently raised. The lack of private sector businesses on Reservation lands and the inability to develop new business contributed to the 50 percent unemployment rate. With the U.S. Constitution authorizing the federal government as the only agent to do business with tribal governments, and outlawing treaties between tribes and the states, it has been unclear how tribes could obtain business licenses or form non-profit organizations or corporations.

To resolve the issue, the Hoopa Valley Tribe developed its own business codes to define non-profit organizations, other types of businesses, corporations, and business licenses. Mr. Jordan said over two years' work went into developing the codes, which include 225 private sector policies covering all aspects of business development, licensing, and transactions. The codes increase business opportunities on tribal lands and provide a consistent legal framework from which the tribe may deal with other governments. Through the implementation of business codes, tribes have the authority to collect business taxes if they choose. Mr. Jordan said the Hoopa Valley Tribal Business Codes are posted on the Northern California Indian Development Center's website at WWW.NCIDC.ORG.

Finding:

By incorporating tribal values in business ventures, tribes can develop business opportunities that promote those values and enhance the quality of business carried out on tribal lands.

Recommendation:

Tribal governments must ensure that business ventures reflect the values unique to their tribe.

Finding:

The Smartwood concept allows the Hoopa Valley tribe to ensure long-term community health by guaranteeing jobs and protecting long-term values over economic gain.

Recommendation:

Tribal leaders should investigate alternative approaches to business ventures for their potential to improve employment prospects and project longevity.

Finding:

Federal restrictions on states' ability to negotiate treaties or conduct business with tribes greatly limits tribal communities' opportunities to recruit private business on tribal lands. Historically tribes have been unable to obtain business licenses, articles of incorporation, or form non-profits.

Recommendation:

The State and local governments must end restrictive policies that prevent tribal access to business licensure and incorporation.

Finding:

By developing tribal business codes, tribes can increase business opportunities on tribal lands and provide a consistent legal framework from which the tribe may deal with other governments. Through the implementation of business codes, tribes have the authority to issue business licenses, for corporations and non-profit corporations, and levy taxes.

Recommendation:

Tribal governments should follow established models in creating their own tribal business codes.

Wanda Quitiquit, Presenter
Robinson Rancheria Casino

Ms. Quitiquit described how casino gaming has moved many tribes from complete dependence upon federal governmental assistance to total self-reliance. In most cases, she said the move to develop gaming began without formal planning, but the passage of the Indian Gaming Regulatory Act in 1988 established a regulatory process and called for development of business plans.

She explained how the Robinson Rancheria first began with high-stakes bingo, then added slot machines in 1993. Ms. Quitiquit said the process of learning how to run a business was gradual, but said the Robinson casino had now grown into a multi-million dollar business and was the largest employer in Lake County. The casino provided full benefits for its staff, had a good employee retention rate, and employs many workers over the age of 55. She explained that the staff came both from the Pomo Tribe and from communities outside the Rancheria.

Ms. Quitiquit said the casino payroll had a positive impact throughout the county, as did the \$3.4 million the casino had spent on media and advertising. The casino, which she said paid starting employees at above minimum wage, had helped many residents of Robinson Rancheria and others in the county to get off of welfare.

As a community endeavor, the Robinson Rancheria casino opted to make per capita payments to all residents over age 18. The casino supported an educational program that helped many tribal members and non-Indians attend college or vocational programs, and casino proceeds helped the Rancheria develop a recreational vehicle park. Through the use of gaming proceeds, the Rancheria had undertaken a project to restore wetlands along Middle Creek, and had worked to protect Clearlake from any environmental degradation. Ms. Quitiquit expressed pride in the Rancheria's environmental contributions to the area, as well as its support for educational and job training grant programs, for development of a library facility, and the tribe's support for a community garden. The casino also supported cultural preservation efforts and an educational component that included writing and basket-weaving projects.

Ms. Quitiquit said the Robinson Rancheria Casino made an effort to be involved in the Lake County business community, and participated in the local Chamber of Commerce and other business promotion organizations. She said the casino had been awarded the Lake County local Community Development Award for its beautification project, as well as was nominated for the "Stars of Lake County Award."

Ms. Quitiquit noted the importance of her efforts to tie Robinson Rancheria's casino to the surrounding business community. She said the relationships she has developed through her participation in business development organizations, as well as her own volunteer efforts, have helped to create good relations between the casino and the surrounding communities. She added that the 1998 passage of Proposition 5, supporting the efforts of individual tribes to develop their own gaming businesses, added to the community support for such projects statewide.

The Robinson Rancheria was working on a number of community projects, including the purchase of Rattlesnake Island, which would be preserved as a tribal spiritual area. She said the county hoped to use the island for filmmaking, a use that the tribe supported as long as the island could be protected from development.

Ms. Quitiquit reiterated that gaming was responsible for bringing self-sufficiency to the Pomo people of Robinson Rancheria. The tribe was now able to contribute to charitable activities in the county, and to provide scholarships to its own students as well as to other students. She said the tribe favored the Governor's completion of an equitable and fair Indian gaming compact. She added that stronger authority for the National Gaming Commission would also be beneficial.

Finding:

Tribes interested in developing gaming businesses were helped by passage of the Indian Gaming Regulatory Act, which established a regulatory process and called for development of business plans.

Recommendation:

The State and federal government should work to enhance tribal business opportunities through development of facilitative regulations.

Finding:

Indian casinos often provide full employee benefits and have a good employee retention rate. Many employ older workers from both tribal and surrounding communities.

Recommendation:

Casino ventures should strive to provide employee stability.

Finding:

Casino proceeds often support community-enhancing projects, such as educational scholarships, environmental and cultural projects.

Recommendation:

Tribes seeking community support for gaming ventures must stress the potential for broader benefits to the outlying community.

Finding:

Becoming involved in the surrounding community and participation in local business organizations can help build good relationships between tribal businesses and the outlying community.

Recommendation:

Tribal businesses seeking to enhance relations with surrounding non-Indian communities should become involved in community activities.

Finding:

A fair and equitable state gaming compact and a stronger National Gaming Commission would help tribes involved in gaming activities.

Recommendation:

The State of California must pass and implement a fair and equitable compact to regulate gaming. The State must support efforts to strengthen the National Gaming Commission.

Troy Fletcher, Presenter
Yurok Watershed Restoration Program

Mr. Fletcher, lead consultant with the Yurok Tribe of Humboldt County, spoke of the tribe's watershed restoration work on the lower 44 miles of the Klamath River. The Yuroks have tribal fishing rights to the river, and are entitled under federal law to 50 percent of the salmon that migrate there. The tribe has historically depended on fishing for sustenance, commerce, and for ceremonial reasons, making protection of the fishery a priority to the Yurok people.

Mr. Fletcher said the Klamath's anadromous fish populations were in danger, with the Chinook and coho salmon numbers falling, and the steelhead trout soon due for listing on the federal list of threatened or endangered species. He said the Yurok people also fish for sturgeon, lamprey eel, and smelt, all of which are in some level of decline. Mr. Fletcher blamed poor governmental management of the rivers and watersheds for the decline in anadromous fish populations and called on the government to be more active in its management of critical resources.

The Yuroks work with other tribes to improve water management practices on the Klamath, he explained. The tribe negotiated with the Bureau of Reclamation to assure adequate water supplies from upstream dams, but the tribe also saw the need for fish habitat restoration in the watersheds along the lower Klamath. Most of the land along the Klamath was historically managed for timber harvest, and years of poorly regulated logging and erosion had damaged the streams where the anadromous fish spawned. Of the river's 30 tributaries, 20 support spawning fish populations. The region also had approximately 2000 miles of dirt logging roads in need of removal or repair. With ownership divided between private industrial timber companies, the U.S. Forest Service, the National Park Service, other private owners and the various lower Klamath Indian tribes, a cooperative approach was necessary.

The Yuroks opted to work with Simpson Timber, the area's largest private landholder. Developing good relations between Simpson and the tribe required some effort, and Mr. Fletcher said it took about two years to form a relationship. The process required the tribe to develop professional and technical capabilities in order to prove its credibility. The Yuroks hired a lead geologist to oversee watershed and road surveys in order to evaluate the level of habitat degradation. Tribal technicians were hired to inventory, map and assess the system of logging roads, and to identify all problem areas. Using that information, the Yuroks applied for and received a total of \$700,000 in project funding from 11 funding sources, with which the tribe purchased equipment needed to begin restoration work.

Mr. Fletcher said the biggest obstacle was the enormous volume of work. In a single area of eight square miles, he said a total of \$3 million of restoration work was required. He said that State support for this type of effort was crucial. He added that the amount of paperwork and tracking involved in grant applications was also prohibitive, and said if the State could fund such projects with larger grants in order to address the "big picture" of watershed health, much red tape could be avoided at both ends.

Mr. Fletcher commented on how often the state officials involved in project oversight only served to hinder the process. He noted that the Yurok professionals knew the project better than the Department of Fish and Game biologists overseeing the work. Mr. Fletcher said that once the tribe's technicians had demonstrated credibility, the State could make the process much smoother by allowing them to take the lead. Mr. Fletcher said the State's contracting officer also made the process more difficult, requiring burdensome estimates that wasted time and manpower.

Along with the watershed restoration work, the Yurok project involved hiring a consultant to train staff to manage the project and to carry out the restoration work. The project now includes a program to train heavy equipment operators. Mr. Fletcher said an added benefit was the increased self-esteem and self-confidence that the trainees gained as their skills and abilities developed.

Mr. Fletcher recommended that tribes undertaking similar programs should recognize the importance of building technical expertise and of following the appropriate steps to gain that expertise. He noted that there are few tribal resources available to help in this pursuit, but the Yuroks received valuable assistance from the Northern California Indian Development Assistance Corporation in Eureka. Mr. Fletcher also said his tribe has taken responsibility for a problem that was caused by someone else. He said the federal and state governments should provide funding and take a greater role in repairing the damage created by years of logging.



Finding:

The Yurok tribe's historic dependence upon fishing for sustenance, commerce, and for ceremonial reasons makes protection of the fishery a priority to the Yurok people.

Recommendation:

Tribes must take the initiative to manage and protect natural resources that are important to their culture and livelihood.

Finding:

Poor governmental management of watersheds and damaging forestry practices have contributed to the decline in anadromous fish populations on the Klamath River.

Recommendation:

The State and federal governments must support anadromous fishery restoration efforts in order to reverse the damage done by poor resource management.

Finding:

Tribes seeking support for watershed restoration projects must develop professional and technical capabilities in order to prove their credibility. Often tribal professionals working on a project know more about the project than the state officials assigned to oversee the work.

Recommendation:

The State must facilitate and help fund training opportunities for tribes and other organizations wishing to carry out restoration projects. The State must recognize the credibility of trained technicians and trust the work they do.

Finding:

The enormous volume of work required to restore watersheds on the Klamath River is too costly for one group to support on its own.

Recommendation:

The State must support large-scale and long-term watershed recovery projects.

Finding:

Onerous paperwork and funding programs that support only small fragments of the work required make completing watershed restoration projects very difficult.

Recommendation:

The State should make larger grants available to facilitate completion of large-scale restoration projects.

Finding:

Information on resources to help tribes gain technical expertise or to obtain funding is not readily available. Those resources that are available are insufficient to meet all California tribes' economic development needs.

Recommendation:

A clearinghouse for tribal resources should be developed in order to facilitate tribes seeking project funding, additional expertise, or technical assistance in project development. Greater resources and funding should be made available to tribes.

**Lois Lockhart, Redwood Valley Rancheria,
and Zhao Qiu, Economic Development Consultant, Presenters
Indigenous Basket Weaving/Marketing Project**

Ms. Lockhart introduced her community's project, explaining that the Native American people were finally beginning to overcome their identity as prisoners of war. She said the opportunity to discuss economic development projects was a significant and very positive step in that direction.

The Redwood Valley Rancheria established an administrative office in 1983 and 1984, and since that time has provided educational programs, scholarship services, emergency services, and human service programs, including Indian Child Welfare Services and parenting skills classes. The administrative office has a full-time staff of seven and has helped 14 of the reservation's youth to attend college.

Through the work of the Human Service Department, the Rancheria has developed a mentoring program called the "Grandmothering Circle." The program relies on the elders of the community to work with younger parents to help pass on the integrity and character of the Indian culture. The program focuses on prevention of substance abuse and the subsequent domestic violence that has been prevalent in many Native American communities.

The Redwood Valley Rancheria is currently researching an economic development project to develop and possibly market hand woven baskets. Ms. Zhao Qiu, consultant for this project, introduced the work involved in developing the basket-weaving center and marketing plan.

Ms. Qiu said along with the issues anticipated when undertaking economic development activities, the basket weaving project came with many unknowns. The prospect of weaving baskets for sale presented a conflict with tribal values which hold that the hand-made baskets have a spiritual and personal value that cannot be sold. The traditional gathering places where grasses and reeds used for basketry were gone. Another factor was the need for a commitment to consistent production. The challenges of marketing the baskets when faced with international competition and mass-market demands heightened the production concerns.

The Redwood Valley Rancheria saw the basket-weaving project as a means of reviving the Indian culture, as well as a marketing project. With the loss of many tribal traditions, the community felt that the basketry skills would also be lost if something wasn't done soon. To overcome the obstacles, Ms. Qiu identified the main points to be considered:

- ◆ the demand by tribal members to maintain traditional values;

- ◆ the cross-cultural values and the occasional collision of those values;
- ◆ the need to re-learn the art of basketry as a cultural experience; and
- ◆ the importance of growing the materials to be used.

In order to develop new sources of raw materials, the Rancheria is working with an ethnobotanist to help plant the sedge, dogwood, redbud, and other native plants traditionally used in baskets. Ms. Qiu said this aspect of the project is helping to develop a new appreciation of native plants and the native plant garden is also planned for use as an educational site.

Ms. Qiu said the basket weaving skills being shared come from a lifetime of learning. She said the hope is that traditional designs can be incorporated into new art forms that will be commercially viable. Although Ms. Qiu admitted the project was not an ideal route to economic independence, through development of an education and demonstration center, the basket-weaving project will do much to help revive the culture of the Redwood Valley Rancheria's tribes.



Finding:

Tribal economic development activities represent some of the first steps away from Native Americans' identity as prisoners of war.

Recommendation:

Tribes seeking community empowerment should begin economic development activities.

Finding:

Under their own administrative structure, tribes are able to effectively provide a wide range of services, including educational programs, scholarship services, emergency services, and human service programs, including Indian Child Welfare Services and parenting skills classes.

Recommendation:

The State and Federal governments must support tribal efforts to provide health and social, and human service programs.

Finding:

Redwood Valley Rancheria's Grandmothering Circle utilizes the expertise of tribal elders to pass on tribal integrity and cultural values to the younger generation.

Recommendation:

The state must support tribal efforts to utilize unique cultural programs to resolve community problems.

Finding:

When planning a hand-made product for market, a commitment to consistent production is necessary. The challenges of marketing in a global market with mass-market demands heighten the production concerns.

Recommendation:

Tribes planning to market a hand-made product must research market demands, competition, as well as the workers' commitment to meet production demands.

Finding:

Economic development projects focused on traditional skills, such as basket weaving, are a means of reviving the Indian culture as well as being commercially viable.

Recommendation:

Communities seeking to revive tribal culture should consider economic development projects that draw upon traditional skills.

Finding:

A native plant garden developed to provide raw materials for basketry could also serve as an educational and cultural site for the Rancheria.

Recommendation:

Tribes involved in economic development endeavors that promote traditional values should explore the multiple-use options available, such as educational and cultural enhancement opportunities for the entire community.

Suzanne Burcell, Presenter
Computer/Technology Training Center

Ms. Burcell described how the economy of Happy Camp, a Siskiyou County community suffering from the decline of the timber industry in the 1980s, took the initiative to develop a regional information technology training and business center. Prior to the closure of Happy Camp's last mill in 1984, she said the community was 85 percent dependent upon timber industry employment. Ms. Burcell said that at the time Happy Camp was considered one of the top ten most economically endangered communities in the United States, but was eligible for the federal Option 9 funding provided through the President's Northwest Forest Plan.

Happy Camp, located on the Klamath River, is at the heart of Karuk ancestral lands. The Karuk Tribe was federally recognized in 1979, and had developed its own constitution by 1983. The tribal government now employs 100 people in the communities of Happy Camp, Orleans, and Yreka, and provides housing, Head Start, and health services for tribal members.

As the timber industry collapsed, Ms. Burcell said the Karuk Tribe was coming into its own. The Karuks were familiar with the poverty now embracing the rest of the community, and a long and contentious history divided the Karuk people from the non-Indian residents. Ms. Burcell said that suddenly both factions found they needed one another. In response, the Karuk Tribe formed an economic development division called Community Development Corporation. Ms. Burcell said the corporation was started from basically nothing, but drew on the belief that the people were the area's greatest resource. A core staff of creative, initiative-takers was assembled. Ms. Burcell said the organization's momentum caused a change in attitude that spread visibly throughout the community.

Community Development Corporation (CDC) was designed to serve all of Happy Camp, and not just the Karuk people. Forming the corporation required broad community support, and the process of identifying community values, and developing goals and objectives took a full year. CDC partnered with community groups, such as civic organizations, in order to help build community consensus.

The corporation also sought out a range of funding sources, including Option 9, the Economic Development Administration, the Small Business Administration, the Bureau of Indian Affairs, and private foundations. Funds for the project's technology center came from the California Wellness Foundation, which finances technology opportunities in impoverished communities. Ms. Burcell said the CDC's application was one of 432 received by the California Wellness Foundation's program, and one of only 11 that were funded.

The CDC now includes a small business development center and a tribal business information center, which provides on-site business counseling. The program also offers a human resource development component, as well as a technology training center. Ms. Burcell said the center offers computer training and educational opportunities to over 700 registered users.

By partnering with the Americorps program, the CDC developed a welfare-to-work component called the "Skills-Work Educational Enhancement Program." CDC was successful in gaining county government support for the program, which resulted in placement of a county CalWorks staff person in Happy Camp, where 110 families were eligible for services.

The CDC project also includes a building center and a mini-storage facility. In developing a rustic furniture business, the Karuks are working with the U.S. Forest Service to provide tree thinning services on national forest lands, in order to obtain raw materials.

Ms. Burcell noted that patience and realistic expectations were key to developing the Karuk Tribe's Community Development Corporation. The process required development of both organizational skills and human resources, as well as acquiring the training to allow tribal members to be leaders in the project.

Finding:

Economic decline can shift the balance of resources within a community, placing formerly adversarial constituencies in a position of interdependence.

Recommendation:

State and local government should facilitate collaborations between tribes and non-Indian communities in order to strengthen and promote opportunities for all.

Finding:

Communities that draw from within to create their own economic revival may discover a wealth of untapped resources and creativity.

Recommendation:

Tribes undertaking economic and community development projects should evaluate their own human potential first in order to derive the greatest benefit.

Finding:

Partnering with community groups helps to build community consensus and support for a project. Creative partnering can lead to innovative new approaches to service delivery, such as the creation of a Siskiyou County CalWorks position in Happy Camp to coordinate with the Community Development Corporation's welfare to work component.

Recommendation:

Tribes involved in economic development activity should form partnerships with local community groups to build consensus for projects. Local governments should be willing to work with tribes in order to enhance the benefits of local programs.

Finding:

Successful projects must reflect community and tribal values, and care must be taken to develop project goals and objectives that correspond with those values.

Recommendation:

Tribal economic development projects must be developed to correspond with community and tribal values.

Finding:

Native American Tribes can access funding through a range of sources, including governmental and private organizations.

Recommendation:

A clearinghouse for information on funding opportunities must be developed.

Finding:

Patience and realistic expectations are key to developing new approaches to economic development.

Recommendation:

Tribal leaders should develop realistic timelines and goals when planning new economic development projects.

Maria Anaya, Presenter
Consolidated Tribal Health Facility

Ms. Anaya described the effort involved in development of a collaborative non-profit community health clinic in the community of Calpella in Mendocino County. She said the Native American community suffered from a range of health problems that she attributed largely to a lack of educational opportunities. A preliminary health needs assessment revealed the following disturbing results in the community: 10.6 % die before the age of 10; 20% die before the age of 40. Among the leading causes of death were cardiovascular disease, heart attack, stroke, and diabetes occurring at a rate beyond epidemic levels.

In addressing these problems, the Native American community decided to pool its resources. The area's seven Indian tribes, including groups from the Pomo and Karuk nations, worked collaboratively with Indian Health Services (IHS) to form the Consolidated Tribal Health Facility (CTHF). Funding for the facility came from federal grant monies secured by the Redwood Valley and Coyote Valley tribes, and from IHS. Ms. Anaya said the state-of-the-art facility is a strong testament of what Native American communities can do when they pool their resources. Ms. Anaya said the facility provides medical, dental, and mental health care, transportation services and community and public health services. She said an important component of the clinic's success is the strong sense of community that acknowledges the native traditions of respect for elders.

CTHF has also obtained a two-year grant to fund a domestic violence prevention program. The program relies on a "Grandmothering circle," relying on the experience and wisdom of tribal elders to help improve family dynamics. The elders work on an on-call basis, providing crisis intervention as well as community activism in an effort to strengthen Native American families. Ms. Anaya said the state has challenged administrative aspects of the program, but CTHF believes the program has done much to improve overall health of the community.



Finding:

Some Native American communities have suffered from a range of health problems that can be attributed largely to a lack of educational opportunities and a lack of access to health care. Often death rates among the young are high in these communities, as are the incidents of such diseases as cardiovascular disease, heart attack, stroke, and diabetes.

Recommendation:

The State must increase health education opportunities for tribal communities, and must expand and promote development of tribal health facilities.

Finding:

Pooling resources gives tribes an advantage when developing community facilities and in accessing financial resources.

Recommendation:

Tribal governments should work collaboratively to maximize their resources and the benefits derived from community projects.

Finding:

Successful projects strive to retain a strong sense of community and of traditional values.

Recommendation:

Tribes must develop projects with a strong sense of community and with traditional values.

Finding:

Use of traditional community resources, such as the elders who staff the "Grandmothering Circle" provides a successful approach to dealing with domestic violence in Native American communities.

Recommendation:

The State must encourage and support development of locally-designed programs that draw upon unique community resources to address community problems.

Part II - Financing Tribal Projects

Marcia DeBock and Dan Bailey, Presenters Wells Fargo Bank Services to Native Americans

Wells Fargo Bank financial services to Native Americans include all services the institution provides, Ms. DeBock stated. The bank's nearly 6,000 branches conduct banking, investment, insurance, and financing for business ventures and housing. Wells Fargo's American Indian Banking Service Program provides special services for Native Americans. Ms. DeBock said the program provides tax exempt financing, small business loans and banking services for tribal members, tribal vehicle and fleet leasing, development and construction financing, home mortgages, and banking services and financing related to the gaming industry.

Ms. DeBock said Wells Fargo was excited about its program capabilities in Indian Country. The institution had invested \$10 million in New Mexico, where it has funded the expansion of a reservation in order to increase housing. She said the bank's northwestern mortgage program had completed 27 home loans to tribal members in Oregon. For the 1998-1999 school year, the program provided a \$50,000 grant to the Oakland Public Schools to provide an Indian Nations program.

Included among Wells Fargo's community development services is a program of technical assistance for tribes. Ms. DeBock said the bank would loan employees to tribes to help them with such projects as marketing and promotions, fund raising, economic development and community revitalization. Many Wells Fargo employees provide these services on a volunteer basis. Ms. DeBock explained that all local branch banks are prepared to provide all levels of service.

Ms. DeBock said many of the themes raised by the tribal presenters were issues Wells Fargo was already focused upon. The need for business mentors and sharing experiences, programs for financial education and assistance, and the need for tribal community members to move into the role of financial professionals through internships or part- or full-time mentorships are issues Wells Fargo is working to address.

Obtaining funding and credit was a challenge for many first-time tribal projects, she acknowledged. Ms. DeBock said that lenders must have a relationship with the borrowers in order to have confidence in a project. She recommended tribal leaders meet with prospective lenders early in the process. As the project develops, the bank will be more able to work with the tribe to find solutions to obstacles and to develop creative approaches to meet tribal goals.

Sandra Perez, Presenter

Rural 2000 Community Development Initiative, Bank of America

Ms. Perez described how many banks were leaving rural areas. In contrast, Bank of America was interested in making its resources available to rural customers, and had developed its Rural 2000 initiative to meet that goal.

Bank of America was in the process of developing a specific initiative to meet Native American banking needs, and had been holding meetings in Washington D.C. with national Native American groups to design that program. Through that effort, Bank of America had formed four committees to address the issue of lending on tribal lands. Those committees will include tribal representatives and other regional representation.

Ms. Perez said the bank's short-term goals included positioning six market managers throughout the west. A Northern California representative would be responsible for working on local projects, including tribal economic development activities. She concluded that the current trend in the banking industry was to strengthen national efforts to support and serve economic development activities within the Native American community.

Beth Castro, Presenter
Tribal Lending Initiative, Washington Mutual

Ms. Castro said Washington Mutual's Tribal Lending Initiative had been in effect since 1994. The program encourages partnerships as a critical component of tribal economic development activities and has developed new approaches to community reinvestment principles in order to meet the needs of underserved Native American communities.

Ms. Castro said the initiative began in 1993, when Washington Mutual examined mortgage lending needs in approximately 28 tribes in the Pacific Northwest. The firm took on the venture in the form of partnerships, working with the Federal Farmer's Home Administration (FHA) to successfully complete home loans in the region. In providing financial services to tribes, Washington Mutual developed a program for making loans available for trust or allotment lands. To accomplish this, Ms. Castro said a local legal structure, such as a tribal business code, was required, but was often not in place.

Washington Mutual's efforts have extended to a broad market in the Pacific Northwest, Ms. Castro said, including tribes in Washington, Oregon, and Northern California, as well as Florida and Oklahoma. Through sovereign lending workshops, the bank had learned about tribal community development needs as well as helping tribal leaders learn about the programs that were available to them. The program had also developed one-stop mortgage resource centers.

Ms. Castro said Washington Mutual had partnered with the Native American Banking Association, to which it recently gave a \$50,000 grant. Washington Mutual had also partnered with the Native American Housing Council and was working with the Federal Home Loan Banking System to create housing opportunities.

Darlene Tooley, Presenter
Northern Circle Indian Housing Authority

Northern Circle Indian Housing Authority (NCIHA) is a joint powers authority formed by 13 member tribes located in five counties. Ms. Tooley said the organization has been in existence for 20 years. NCIHA builds and manages federally financed homes, assists with land acquisitions, and finances infrastructure for housing developments.

The 1996 passage of the Native American Housing Assistance and Self Determination Act (NAHASDA) created a separate program to finance Indian housing. NAHASDA gave tribes local control over financing options, empowering Native American communities to form organizations like NCIHA. Northern Circle has a progressive board, Ms. Tooley explained, which has educated itself about private financing and strives to purchase homes at a reduced rate.

NCIHA has partnered with Washington Mutual, Wells Fargo and Bank of America, to help tribes improve housing stocks. Most tribes have only a small land base, she explained, and acquiring land to add to a reservation is difficult. Ms. Tooley said obtaining loans, securing necessary permits and building housing developments is easier to do off reservation. NCIHA is working to develop a lease-to-own program that would require different eligibility criteria.

Ms. Tooley said NCIHA is working to achieve changes in governmental Indian housing programs. NAHASDA's formula funding level, which sets a funding floor of \$50,000, would serve tribes better if it were increased to \$200,000 or \$250,000. NCIHA is working to determine the broad impacts of such change, which must be accomplished through federal action. Another concern with NAHASDA is a requirement that Indian housing on non-tribal lands must be covered by a cooperative taxation agreement with the county. Because California counties lack the authority to grant the required agreement, NCIHA had requested state legislation to correct the problem. California's own housing programs do not serve tribes, Ms. Tooley said, and state policies must be changed to allow Native American participation. Until those issues are resolved, she said government program restrictions make it difficult to open housing stocks to tribes.

Barbara Beller, Presenter
California Rural Indian Health Board

Ms. Beller recommended that the State of California should do more to educate public agencies on sovereignty issues and the tribal government process in order to improve working relationships with tribes. She suggested that through mentoring or small business conferences, tribes could gain managerial and business skills that would improve their economic development opportunities.

She also called for stronger support from California's congressional delegation, noting that in spite of the state's 53 congressional representatives, California tribes receive the least funding of any in the nation. Ms. Beller pointed to a need for greater focus on tribal issues from State government as well, urging the creation of a Native American Coordinator position within the Governor's office.

She thanked Select Committee Chair Strom-Martin for her vote in favor of a \$4 million increase in the State's Indian Health Program. Ms. Beller noted that that increase was the first the program had received since 1978.

Ms. Beller stated that a new federal initiative to address lending to tribes had been introduced earlier this year. She explained that the President's February 1999 proposal, called America's Private Investment Companies Initiative, would approach lending to tribes in the same way that overseas lending is carried out, thus eliminating many of the problems currently caused by the issues of sovereignty and lack of collateral.

David Lent and Beth Ytell, Presenters
Indian Dispute Resolution Services

Mr. Lent said Indian Dispute Resolution Services (IDRS) had been working with tribes for ten years, assisting with dispute resolution and training tribal members in dispute resolution techniques. IDRS also works on program development and promoting community success in tribal communities.

Developing stable tribal governments is key to project success, Mr. Lent said. He stressed the importance of a continuity of viewpoint, even when tribal governments undergo changes. He explained that open communications and talking through difficulties are important parts of building consensus. "Agreeing to disagree" is an integral part of that process as well, he stated.

Mr. Lent said in order to build relationships with lending institutions, tribes must educate lenders and government representatives about the tribal government process. Both tribes and lenders must be willing to learn about each other in order for productive relationships to occur. The same is true with government entities, and the state must strive to work with tribes on a "government to government" level.

Mr. Lent described an IDRS project involving the Timbisha Shoshone tribe in Death Valley. The tribe's traditional land base was encompassed within Death Valley National Park and the tribe had wanted the land returned to them. Mr. Lent explained that developing realistic expectations was key to resolving the Timbisha tribe's conflicts. Through negotiations and collaboration, the Timbisha will receive approximately 7000 acres within the national monument. A small portion of that (200 acres) will be developed for housing, and educational center and health facility. Mr. Lent called the end result a "win-win" for both tribal members and the park.

IDRS helps tribes train their own mediators, and helps to build negotiating skills as well as business skills. He stressed that developing positive relationships with lenders is critical before tribes begin business ventures.

Another IDRS program Mr. Lent described focuses on youth leadership. The program teaches violence avoidance and anger prevention, cultural pride, and prevention of school, home and community violence. Through workshops that focus on both youth and parents, IDRS helps young people develop goals and provides role models. Ms. Ytell described IDRS' work with

Assembly Speaker Antonio Villaraigosa's advisory committee on Native American Issues. Through that forum IDRS hopes to convene a Native American Youth Caucus to learn about and participate in the process of State Government.

Ron Thomson and Weldon Smith, Presenters
Rural Community Assistance Corporation

Mr. Thomson introduced the Rural Community Assistance Corporation (RCAC) as a non-profit organization with a 12-state jurisdiction. RCAC provides technical assistance on wastewater and drinking water projects, housing, and environmental coordination. The program provides some project financing, helps project proponents obtain outside funding, and provides training for water system operators and system management.

Mr. Smith said RCAC has a commitment to work with California tribes, serving as a bridge to bring together tribal governments and state and federal programs. The organization helps tribes access government grants and loans, as well as funding from private foundations. He added that RCAC is a member of the Community Development Foundation Institute and has a 20-year record of helping communities.

Al Aiello, Presenter
U.S.D.A. Rural Development

Mr. Aiello described the work of the federal government's office of Rural Development, which is a branch of the Department of Agriculture. The agency is responsible for services to all rural areas, including tribal communities. Mr. Aiello manages the agency's North Coast branch office in Santa Rosa. US Rural Development (USRD) services include business programs, rural utilities, and housing programs.

USRD's business and industry loan guarantee program encourages economic growth in depressed rural communities by providing banks with assurance that the loans are backed, thus making it possible for communities to access loans that might not otherwise be available. The program also allows banks to sell loans in secondary markets, bringing an additional profit to the lender. USRD assists borrowers with the application process, working directly with the lender to assure the applicant's success.

The Rural Business Enterprise Program (RBEP) is another of USRD's offerings. Mr. Aiello said the program offers grants to tribes and non-profit organizations for business development, technical assistance, capital expenditures, or re-lending programs for small business credit. USRD disburses RBEP grants annually, and applicants are prioritized based on factors such as community need, population, and experience level, with additional points given to applications from tribes. Mr. Aiello said several North Coast programs had been funded recently, including a tribal food distribution program, a feasibility study, and a business technical assistance project.

The Intermediary Relending Program (IRP) provides business financing through a qualified non-profit organization. Through this program, non-profit organizations borrow from the IRP at a rate of 1% for a 30-year loan. Those funds are then re-loaned to small private businesses in order to promote business expansion and economic development within the community. Mr. Aiello said tribal sovereignty has been viewed as an obstacle to the federal government's ability to loan money to tribes, although grant funds could be used as security. Without collateral, he said tribes would have a more difficult time accessing USRD loans. The federal government does operate a Native American Loan Guaranty Program out of the Bureau of Indian Affairs that offers business loans of up to \$500,000 to tribes.

Mr. Aiello said USRD provides direct service to rural communities through its many branch offices, which are located in Santa Rosa, Ukiah and Eureka on the North Coast. He said the program's focus was on business development and job creation in all rural communities. Information on all programs is available from staff at any USRD office.

Conclusion

Most rural communities struggle to achieve economic self-sufficiency, but those struggles are multiplied for Native American communities. With the burdens of new and evolving governmental structures, a lack of prior business experience and capital, and the importance of cultural identity and community morale, tribal communities are straining to gain a foothold in the world of entrepreneurship.

Many have turned to gaming, which offers the perception of a low investment and high return, and some tribes have met with great success. Still, the continuing controversy over a State Gaming Compact, and concerns stemming from the problems often associated with gambling have prompted many tribes to try a different route. But where must they begin? What kind of business will provide steady, well-paying employment for a majority of the tribe's members? Where do they obtain financing to begin a large business venture when they have no collateral, and where do they gain the expertise to make their venture succeed?

The Select Committee on Rural Economic Development has learned that relationship-building is key to getting tribal business ventures off the ground. Tribal leaders must be willing to reach out to lenders, to local governments, and to community groups. And lenders, local governments, and community groups must be willing to sit down, listen and learn. Tribal leaders must take the time to gain the expertise that will bring credibility to their efforts. With that credibility, those working with the tribe must be willing to respect that expertise and allow tribal officials to take responsibility for the work being done.

Tribal business ventures must not lose sight of the native culture. Businesses that build on tribal resources and promote cultural values may gain easier acceptance from the tribe and may have a better chance at success. But tribes must not be afraid to venture into new territory, especially if it will protect and enhance cultural resources. The seven business ventures summarized in this report show the range of creativity and diligence tribal leaders have used in working toward self-sufficiency. Yet despite the wealth of talent and opportunity, many obstacles remain.

As tribes move away from their dependence on the federal government, it is important that the State become a partner in the venture. By facilitating and supporting economic development efforts and enhancing services to tribes, the Legislature can strengthen and encourage this important segment of our population. There is much we can offer to help tribal communities succeed and the time to act is now.

Appendix I



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Appendix II



House Resolution

No. 18

**Introduced by Assembly Member Strom-Martin
(Principal coauthor: Assembly Member Villaraigosa)
(Coauthors: Assembly Members Cardoza, Ducheny,
Steinberg, Thomson, Washington, and Wesson)**

March 25, 1999

House Resolution No. 18—Relative to Native American Indian Week.

1 WHEREAS, Native American tribal members have
2 served as responsible stewards of their lands; and
3 WHEREAS, Native American tribal members have
4 preserved their traditions while becoming productive
5 members of American society; and
6 WHEREAS, Native American tribal members are
7 working to eliminate welfare on their reservations, to
8 fund desperately needed public services, such as fire
9 protection and health clinics, and to support worthy
10 community causes; and
11 WHEREAS, Native American tribal members continue
12 to exhibit concern for their tribal communities, and have
13 shown a willingness to aid surrounding tribal
14 communities by sponsoring needed public services and
15 supporting worthy charitable causes; and
16 WHEREAS, Native American tribal members strongly
17 support the basic American values of individual
18 responsibility, private enterprise, and equal opportunity;
19 now, therefore, be it

1 *Resolved by the Assembly of the State of California,*
2 That it hereby recognizes the week of April 4 to April 10,
3 1999, inclusive, as Native American Indian Week in
4 California, and encourages all Californians to salute the
5 achievements of Native Americans; and be it further
6 *Resolved,* That the Chief Clerk of the Assembly
7 transmit copies of this resolution to the author for
8 appropriate distribution.



Appendix III



Assembly Concurrent Resolution No. 35

RESOLUTION CHAPTER 82

Assembly Concurrent Resolution No. 35—Relative to the University of California.

[Filed with Secretary of State August 23, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

ACR 35, Steinberg. University of California: remains of Ishi.

This measure would urge the Regents of the University of California to immediately take any and all actions necessary to ensure that the remains of Ishi, who was the last surviving member of the Yahi Indians, be returned to the appropriate tribal representatives. The measure would also urge the Governor to direct all affected state agencies to cooperate in this effort so that a proper Indian burial ceremony may take place.

WHEREAS, In August 1911, a lone starving man known as Ishi emerged from the foothills of Butte County into Oroville; and

WHEREAS, It was later determined that this man was the last surviving member of the Yahi Indians, a tribe that was virtually exterminated in 1865 by white settlers, and the few survivors of which had fled into the mountains of the Butte County area to avoid enslavement, disease, or massacre; and

WHEREAS, Ishi's story of survival, and his avoidance of European ways and influence, has made him a legendary figure in Native American and California history books, scientific treatises, and movies; and

WHEREAS, The discovery of Ishi sparked the interest of anthropologists at the University of California, who brought him from the Oroville Jail to San Francisco, where he was examined, studied, and ultimately employed as a janitor at the Anthropology Museum of the University of California; and

WHEREAS, Ishi lived the remainder of his life as a living exhibit at the Anthropology Museum of the University of California; and

WHEREAS, When Ishi died in 1916 of tuberculosis, a European disease against which he was almost defenseless, his body was autopsied by medical personnel of the University of California in violation of his beliefs and against his wishes; and

WHEREAS, During the autopsy, Ishi's brain was removed and subsequently sent by the University of California to the curator for physical anthropology at the Smithsonian Institution for analysis; Ishi's brain was preserved, and it languished in a warehouse in Suitland, Maryland for 80 years until its recent discovery; and

WHEREAS, The rest of Ishi's body was cremated shortly after his death, and his cremated remains are now interred in a cemetery in Colma, California; and

WHEREAS, The Butte County Native American Cultural Committee, which inspired the search for Ishi's brain, believes that a complete body is necessary to perform a proper Indian burial ceremony; and

WHEREAS, The University of California has responded to questions about Ishi's brain by claiming that its records showed that Ishi's brain had been cremated with the rest of his body; and

WHEREAS, The University of California, San Francisco, in response to accounts in the press, launched an investigation to determine what happened to Ishi's brain and, through the efforts of their historian, the Smithsonian Institution eventually acknowledged that the brain was in its collection; and

WHEREAS, A federal statute, known as the Native American Graves Protection and Repatriation Act of 1990, provides protection for Native American remains and cultural items and provides for the repatriation of these remains and items; and

WHEREAS, It is the explicit policy of the State of California that all Native American remains be repatriated; and

WHEREAS, The fate of Ishi is an example of the cruelty and injustice dealt to every tribe in California by those who came here and displaced them; and

WHEREAS, An expression of a desire for the unification and return of the remains of Ishi to his homeland would constitute an expression of remorse on the part of the State of California for its actions that contributed to this injustice; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature urges the Regents of the University of California to immediately take any and all actions necessary to ensure that the remains of Ishi be returned to the appropriate tribal representatives; and be it further

Resolved, That the Legislature urges the Governor to direct all affected state agencies to cooperate in the effort to return the remains of Ishi so that a proper Indian burial ceremony may take place and closure may be brought to this indignity; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the Governor and to each of the other members of the Regents of the University of California.